Senate



General Assembly

File No. 431

January Session, 2015

Senate Bill No. 509

Senate, April 2, 2015

The Committee on Transportation reported through SEN. MAYNARD of the 18th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING THE TOWING OF REPOSSESSED CARS, AND NOTICES REQUIRED FOR TOW ZONES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 14-145 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- (a) (1) An owner or lessee of private property, or his agent, may remove or cause to be removed any motor vehicle left without authorization on such property in accordance with the provisions of this section and sections 14-145a to 14-145c, inclusive, as amended by
- 7 this act.
- 8 (2) A lending institution may repossess any motor vehicle, in
- 9 accordance with the provisions of section 36a-785, as amended by this
- 10 act, by contracting with a wrecker licensed under section 14-66 to tow
- 11 <u>or otherwise remove such motor vehicle in accordance with the</u>
- 12 provisions of this section and sections 14-145a to 14-145c, inclusive, as
- 13 <u>amended by this act.</u>

(3) This section shall not apply to law enforcement, fire-fighting, rescue, ambulance or emergency vehicles which are marked as such, or to the removal of motor vehicles from property leased by any governmental agency.

- (b) (1) When [such] an unauthorized or repossessed motor vehicle is towed or otherwise removed by a wrecker licensed under section 14-66, the licensee or operator of the wrecker shall notify the local police department of the tow or removal within two hours. Such notification shall be submitted, in writing, or transmitted by facsimile or electronic mail and the record of such notification shall be retained by such licensee in accordance with the provisions of section 14-66b, as amended by this act.
- (2) The local police department shall, not later than forty-eight hours after receiving [such] notification of a tow or removal of an unauthorized motor vehicle pursuant to subdivision (1) of subsection (a) of this section, enter the vehicle identification number into the National Crime Information Center database and the Connecticut On-Line Law Enforcement Communications Teleprocessing System to determine whether such motor vehicle has been reported as stolen. If such motor vehicle has been reported as stolen, the local police department shall immediately notify the department that reported the vehicle as stolen.
 - (3) No such licensee or operator may charge a storage fee for [such] an unauthorized or repossessed motor vehicle for the time it is stored prior to notification of the local police department by the licensee or operator. If such motor vehicle is not claimed within forty-eight hours, the licensee or operator of the wrecker or of the garage where such motor vehicle is stored shall immediately complete a notice of such tow, on a form prescribed by the commissioner, and mail a copy of such form by certified mail, return receipt requested, to the owner and all lienholders of record. If the motor vehicle is not claimed by its owner within the time periods specified in subsection (e) of section 14-150, the licensee or operator of the wrecker or of the garage where such

SB509 / File No. 431

motor vehicle is stored may dispose of it in accordance with the provisions of subsection (e) and subsections (g) to (i), inclusive, of section 14-150.

- (c) The commissioner may adopt regulations, in accordance with the provisions of chapter 54, (1) specifying the circumstances under which title to any motor vehicle towed or stored, or both, under this section may be transferred to any person, firm or corporation towing or storing such vehicle, and (2) establishing the procedure whereby such person, firm or corporation may obtain title to such motor vehicle.
- (d) Any person who violates any provision of this section shall, for a first offense, be deemed to have committed an infraction and be fined fifty dollars, and, for each subsequent offense, shall be fined not less than fifty dollars and not more than one hundred dollars or imprisoned not more than thirty days or be both fined and imprisoned.
- Sec. 2. Section 14-145a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
 - (a) No vehicle shall be towed or removed from private property except (1) upon express instruction of the owner or lessee, or his or her agent, of the property upon which the vehicle is trespassing, or (2) for the purpose of repossession of the motor vehicle by a lending institution. Nothing in this subsection shall be construed to limit the right of a municipality or the state to remove an abandoned motor vehicle in accordance with the provisions of section 14-150.
 - (b) No person or firm [which] <u>that</u> tows or removes a motor vehicle from private property shall rebate or pay any money or other valuable consideration to the owner or lessee, or his <u>or her</u> agent, of the property from which the vehicle is towed or removed, <u>or to a lending institution</u>, for the privilege of towing or removing [that] <u>such</u> vehicle.
- Sec. 3. Section 14-145b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- 77 (a) Any vehicle towed or removed from private property, or towed

or removed pursuant to a repossession by a lending institution, pursuant to sections 14-145 to 14-145c, inclusive, as amended by this act, shall be stored at the site of the towing company's business in a secured storage lot. The site shall be open during the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, and be reasonably available on Saturday, Sunday and holidays, for the purpose of vehicle redemption.

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(b) When a vehicle has been towed or removed pursuant to sections 14-145 to 14-145c, inclusive, as amended by this act, it shall be released to its owner, the lending institution or a person authorized by the owner or lending institution to regain possession, upon demand, provided the demand is made between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday or at a reasonable time on Saturday, Sunday or holidays and the owner, lending institution or authorized person presents proof of registration and pays the costs of towing or removal and of storage. Any vehicle owner, lending institution or agent of the owner or lending institution, shall have the right to inspect the vehicle before accepting its return. No general release of any kind [which] that would release the person or firm towing or removing or storing the vehicle from liability for damages or from liability for any claim that the vehicle was towed without justification may be required from any vehicle owner, <u>lending institution</u> or agent of the owner <u>or</u> lending institution, as a condition of release of the vehicle. A receipt showing the name of the person or firm towing or removing the vehicle and an itemization of the charges shall be provided to the person paying the towing or removal and storage costs at the time of payment.

Sec. 4. Section 14-145c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):

Whenever an owner or lessee of private property, or his agent, <u>or a lending institution</u> improperly causes a motor vehicle to be towed or removed from such property, the owner or lessee of the property <u>or the lending institution</u> shall be liable to the owner of the vehicle for the costs of towing or removal and of storage of the vehicle and for

reasonable attorney's fees and court costs, if applicable.

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Sec. 5. Section 14-66b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):

Each owner of a wrecker registered pursuant to subsection (c) of section 14-66 shall keep and maintain a record stating the following information: (1) The registration number of each motor vehicle towed or transported and the registration number of each wrecker used to tow or transport such motor vehicle; (2) the date and time the tow commenced and was completed; (3) the location from which the disabled motor vehicle was towed and the destination of such tow; (4) the mileage of the wrecker at the commencement and completion of the tow; (5) the charge for tow service and any other charges incurred for services related to such tow; (6) the name and address of the person requesting tow service; and (7) any other information commissioner deems necessary, specified in regulations adopted in accordance with the provisions of chapter 54. Such records shall be retained at the place of business of the wrecker service for a period of two years and shall be available for inspection during regular business hours by any law enforcement officer or inspector designated by the Commissioner of Motor Vehicles. Each owner of a wrecker shall also keep and maintain copies of any written contracts with owners or lessees of property authorizing the towing or removal of motor vehicles from the property of such owner or lessee, or with lending institutions repossessing any motor vehicles, as provided in section 14-145, as amended by this act, and such contracts shall be available for inspection by motor vehicle owners, or agents of the owners, or <u>lending institutions</u>, upon request. The Commissioner of Motor Vehicles may permit any licensed motor vehicle dealer who operates a wrecker service to maintain, in an electronic format prescribed by the commissioner, all records, documents and forms required by the Department of Motor Vehicles. Such records, documents and forms shall be produced in written format, upon request by the department, during the licensee's business hours on the same day of such request. Any person who violates any provision of this section shall be deemed

- 145 to have committed an infraction.
- Sec. 6. Subsection (a) of section 36a-785 of the general statutes is
- 147 repealed and the following is substituted in lieu thereof (Effective
- 148 *October* 1, 2015):

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- 149 (a) When the retail buyer is in default in the payment of any sum 150 due under the retail installment contract or installment loan contract, 151 or in the performance of any other condition that such contract 152 requires him to perform, or in the performance of any promise, the 153 breach of which is by such contract expressly made a ground for the 154 retaking of the goods, the holder of the contract may retake possession 155 thereof, provided the filing of a petition in bankruptcy under 11 USC 156 Chapter 7 by a retail buyer of a motor vehicle, or such retail buyer's 157 status as a debtor in bankruptcy, shall not be considered a default of a 158 retail installment contract or ground for repossession of such motor 159 vehicle. Unless the goods can be retaken without breach of the peace, it 160 shall be retaken by legal process, but nothing herein contained shall be 161 construed to authorize a violation of the criminal law. In the case of 162 repossession of any motor vehicle without the knowledge of the retail 163 buyer, the local police department shall be notified of such 164 repossession [immediately thereafter] within two hours. In the absence 165 of a local police department or if the local police department cannot be 166 reached for notification, the state police shall be promptly notified of 167 such repossession.
- Sec. 7. Subsection (a) of section 4b-13 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
 - (a) The Commissioner of Administrative Services may establish policies and procedures for the maintenance of order on and the use of parking areas on any property owned by the state or under the supervision of said commissioner, except as provided in sections 2-71h, 10a-79, 10a-92 and 10a-139 and except for properties under the supervision, care and control of the Chief Court Administrator. Any person violating any such policy or procedure shall be fined not more

SB509 / File No. 431

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than seventy-five dollars and the vehicle in violation of such policy or procedure may be towed, provided there is signage giving adequate notice of such towing. The enforcement of any such policy or procedure shall be by special policemen appointed under section 29-18 and by Department of Administrative Services buildings and grounds patrol officers, except that only such special policemen may tow, or cause the towing of, such vehicles.

- Sec. 8. Subparagraph (B) of subdivision (7) of subsection (c) of section 7-148 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2015*):
- (B) (i) Regulate and prohibit, in a manner not inconsistent with the general statutes, traffic, the operation of vehicles on streets and highways, off-street parking and on-street residential neighborhood parking areas in which on-street parking is limited to residents of a given neighborhood, as determined by the municipality;
 - (ii) Regulate the speed of vehicles, subject to the provisions of the general statutes relating to the regulation of the speed of motor vehicles and of animals, and the driving or leading of animals through the streets;
 - (iii) Require that adequate signage be prominently posted in any area where motor vehicles may be subject to towing;

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2015	14-145
Sec. 2	October 1, 2015	14-145a
Sec. 3	October 1, 2015	14-145b
Sec. 4	October 1, 2015	14-145c
Sec. 5	October 1, 2015	14-66b
Sec. 6	October 1, 2015	36a-785(a)
Sec. 7	October 1, 2015	4b-13(a)
Sec. 8	October 1, 2015	7-148(c)(7)(B)

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TRA Joint Favorable

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which makes changes to laws regarding the repossession and towing of vehicles by private businesses, has no fiscal impact to the state or municipalities.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis SB 509

AN ACT CONCERNING THE TOWING OF REPOSSESSED CARS, AND NOTICES REQUIRED FOR TOW ZONES.

SUMMARY:

This bill expressly permits a lending institution to repossess a vehicle by contracting with a licensed wrecker to tow it. Lending institutions that do so must, among other things, provide to the buyer adequate notice of their intent to repossess the vehicle in accordance with the law (CGS § 36a-785).

The bill applies provisions related to towing unauthorized vehicles from private property to those repossessed by towing. Specifically, it:

- 1. allows repossessed vehicles to be released to the lending institution according to the law;
- 2. prohibits a wrecker that repossesses a vehicle from paying a lending institution for the privilege of towing the vehicle; and
- 3. prohibits the wrecker from charging a storage fee for the repossessed vehicle until it has notified the police in accordance with the bill.

Under the bill, the local police department does not have to enter a repossessed vehicle's identification number into certain databases to determine if it was stolen, which existing law requires for other towed vehicles.

Under current law, the local police department must be notified immediately if a vehicle is repossessed, by towing or otherwise, without the buyer's knowledge. The bill instead specifies that the local police department must be notified within two hours of the

repossession.

Under current law, a vehicle may be towed from a state parking lot if it violates the Department of Administrative Services' state parking lot policies and procedures. The bill only allows for the vehicle to be towed in such situations if there is signage posted that gives adequate notice of such towing. It also gives municipalities the authority to require that adequate signage be placed in any area where a vehicle could be subject to towing.

EFFECTIVE DATE: October 1, 2015

COMMITTEE ACTION

Transportation Committee

Joint Favorable Yea 28 Nay 3 (03/18/2015)